

## **Illinois On Track to Develop Automated Credentialing and Permitting System**

Internet filings for commercial vehicle registration applications will become reality in Illinois in the near future, according to proponents of a new system concept under development in the state. The four commercial vehicle regulatory agencies in Illinois, led by representatives from the state's Commerce Commission, recently initiated a project to develop an implementation business plan that will chart future commercial customer service investments. The final plan will serve as the primary instrument for development and deployment of a system that will allow future carrier exchanges of information with the agencies for the administration of credentials, permits, and fuel tax filings via a single web "portal." Under the concept emerging from the current project, carriers, or their agents, will be relieved of the annoyance of redundant data entry, and will be able to pay for their credentials and file quarterly returns on-line. The implementation plan will also incorporate new processes and technologies in a program plan that defines the fiscal and programmatic agenda and actions necessary to implement the on-line registration capability.

The State of Illinois has engaged Booz-Allen & Hamilton, Inc., an international management and technology consulting firm, to develop an Electronic One Stop Services (EOSS) Implementation Plan. The project has the support of senior executives in the Secretary of State's office, the Department of Revenue, the Commerce Commission, and the Department of Transportation. Representatives from each agency, and from the Illinois State Patrol, the Midwest Truckers Association, the Illinois Movers and Warehouseman's Association, and a number of carriers that base state in Illinois have been working together in unprecedented cooperation toward technical and operational agreements that will allow a single interface to be developed.

Kevin Sharpe, Director of Information & Processing at the Illinois Commerce Commission, and the project manager for the EOSS project, stated that the Illinois Commerce Commission Transportation Division has worked towards the goal of integrated EOSS for many years. Sharpe added, "We continue to envision a system where motor carriers will be able to meet state and federal registration, and periodic reporting requirements through the use of personal computer interfaces, such as the Internet, and/or through direct data input to state systems."

Since the motor carrier industry deregulation that took place in the 1980's, the competitive nature of the for-hire freight marketplace has intensified. Trucking customers have become increasingly demanding, and the adoption of integrated logistics and supply chains, and processes like Just-In-Time (JIT) manufacturing, have compelled carriers to constantly reassess and adjust their operations. Carriers have been forced to continually search for ways to contain and reduce costs in order to remain competitive. Paul Kovalik, Fleet License Manager for United Parcel Service, Inc., feels that "we cannot continue to process transactions on paper, one at a time. Expected turnaround for paper transactions is in excess of a week at best. In one state, we are considering hiring a courier to go to a DMV office to sit and wait for new vehicles to be licensed. We currently overnight the

paperwork, wait 3 weeks, and then they overnight it back to us. That's totally unacceptable." Electronic credentialing is seen as an effective solution that enhances vehicle and freight management practices. The State of Illinois initiated the commercial vehicle credentialing study earlier this year in response to requests from Illinois based carriers. Carriers requested that Illinois agencies explore automating the credential process.

In Illinois, and other states, commercial vehicle registrants must complete detailed and often repetitive credentialing applications needed to secure proper registration documentation. Each separate regulatory agency application demands similar carrier and vehicle information. Every application format is unique and entails entering similar but not matching vehicle data fields. Furthermore, because some of the regulatory agencies require a stable and unchanging renewal application, carriers must refrain from replacing or modifying vehicles displayed on the renewal applications until the carriers receive their renewed credentials. According to Robert Jasmon, Executive Vice President of the Mid-West Truckers Association: "Electronic One Stop Shopping (EOSS) in these days of computer technology is way overdue in Illinois. The trucking industry is one of the state's major employers and one of the highest taxed. The ability to accomplish the varied registrations, tax reports and filings will be simplified for both the industry and state government."

Added Mr. Sharpe, "The government's mission is to strike a balance between the public's need for financial responsibility and safe trucking operations and minimal interference with the market forces that drive today's fast paced trucking industry. We believe this can be done through the use of technology and a clear statement of the EOSS goals and objectives with industry and government working in partnership."

### Illinois Credentialing and Permitting Activity

	IRP		IFTA		SSRS	OS/OW
Responsible Agency	Secretary of State	of	Department of Revenue	of	Commerce Commission	Department of Transportation
Total Credential Transaction Volume*	172,928		196,152		18,000**	257,000
*All credential and permit types combined, calendar year 2000						
** Commerce Commission, calendar year 1997						

Realizing that the importance of an electronic registration implementation plan cannot be overstated, the Illinois regulatory agencies established a Steering Committee to oversee the development of the plan. The membership of the Steering Committee is composed of representatives from the Illinois carrier industry and personnel from state agencies directly involved in credentialing and permitting. Staff from the Federal Highway Administration (FHWA) and the Federal Motor Carrier Safety Administration (FMCSA) are also participating in committee meetings. Patricia McLaughlin, Executive Director of the Illinois Movers and Warehouseman's Association stated, "Ultimately we believe this

program will increase efficiency and timeliness of processing all the multitudes of permits, forms, and filings that a moving/trucking company has to contend with. Since many of [our] companies are small, with the owner of the business out on the trucks during the day, having an electronic portal that is available 24-hours a day will increase productivity and profits for these entrepreneurs”.

The Booz-Allen team has defined stakeholder requirements by conducting stakeholder focus groups. Four separate focus group sessions were held in September 2000 with representatives from the carrier industry and agency staff from each of the four agency regulatory functions: International Registration Plan (IRP), International Fuel Tax Agreement (IFTA), Single State Registration System (SSRS), and Oversize/Overweight (OS/OW). During these focus group sessions, the findings from current process maps were presented to the participants. They were asked for their input to identify where registration problem areas existed and what they felt was best to address them. Based on responses received, new agency “To-Be” process maps were created to display new application steps that reflects an electronic registration process and included the improvements requested by the carrier industry.

A state agency staff workshop has been scheduled for late November 2000, during which State participants will discuss the EOSS registration requirements and implementation strategy. State personnel will also discuss any institutional issues that need to be resolved before the registration process can be implemented. The final Electronic One-Stop Services Implementation Plan report is scheduled to be released in late January 2001.

The EOSS Steering Committee welcomes further questions and/or comments from both the commercial vehicle industry and other regulatory agencies. Commercial carriers that base their fleets in the state are especially encouraged to offer input regarding the project. All questions and comments should be sent to Mr. Dennis Valade, Booz-Allen & Hamilton, at [valade\\_dennis@bah.com](mailto:valade_dennis@bah.com).